

EXHIBIT 2

Views

Lab construction costs and the unique variables at play

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Generally speaking, costs for lab design and construction are typically subject to the same variables that come into play for commercial office space construction. Key variables can include:

- **Square footage:** The larger the space, the more economy of scale you'll see for hard costs. Higher square footage will also result in a lower cost per square foot for add-ons such as Construction Manager/General Contractor and sub profit margins, and related general conditions costs
- **Union or non-union:** This can result in a variance of up to 20% on cost numbers.
- **Existing building infrastructure:** Depending on the extent of the existing building infrastructure, this can also impact cost numbers. The amount of demolition required, type of and extent of existing mechanical and electrical systems, and what new services need to be brought into the building to support the planned usage of the space will all impact costs.

However, when it comes to lab construction, there are some additional variables at play. Client processes vary greatly depending on what field they are in, from nano-technology to infectious diseases, bio-pharma, cancer research, animal research, and more. Each one of these has very specific requirements for HVAC environmental control and conditions, process gases, waste handling, physical environment, lighting environment, electrical equipment loads, process water systems, chemical treatment & storage requirements. Depending on how critical the labs are, they may also require redundancy of power, HVAC, or other specialty systems.

As a result, what is available for existing infrastructure becomes even more of a factor with lab design and construction. Buildings that are well suited for an office tenant are not particularly suitable for a lab tenant. Floor to floor heights should be upwards of 14' in order to accommodate the extensive mechanical, plumbing and fire protection systems above the ceiling. Not having this can result in higher coordination costs, building structure modifications, and lower than desired ceiling heights. Other structural features that may be required include thicker/stronger floor slabs to support additional equipment and new structural reinforcement to accommodate larger/heavier mechanical equipment.

HVAC systems for office buildings are typically the type that re-circulates air and have much more lax temperature/humidity control. In contrast, labs generally require once through air and air temperatures and humidities that are kept in tight ranges. They also can have specialty exhaust systems and filtration systems due to hazardous materials or clean room applications. Due to these requirements, HVAC systems will require additional systems to provide general cooling/heating, reheating, humidification and/or dehumidification depending on the location of the lab and the specifications set by the lab's end users. HVAC control systems for labs are normally expensive and will need to be commissioned by an engineer to ensure proper operation.

There are also a number of other building variables that come into play including electrical services and plumbing systems. The general use power density in laboratory spaces can be multiples of a standard office space and specialty HVAC and exhaust system are especially power intensive even with the most recent technologies in heat recovery. In addition, existing natural gas lines will likely need to be replaced to support additional gas loads from the HVAC systems with special attention given to guaranteed gas pressures from the utility companies. At times a balancing act between natural gas and electric heat may need to be explored to find the right balance of upfront construction cost and long-term operations cost. Finally, existing water systems can also be stressed due to things like increases in water usage to support new HVAC systems, and other environmental health and safety required systems like safety showers/eye washes.